

EXHIBIT "B"



The United States Attorney's Office

Eastern District of North Carolina



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FOR IMMEDIATE RELEASE:

WEDNESDAY - November 18, 2009

GEORGIA MAN AND CALIFORNIA MAN CRIMINALLY CHARGED

WITH INTERSTATE INVESTMENT FRAUD SCHEME

RALEIGH - United States Attorney George E.B. Holding announced today a six-count Indictment charging **GREGORY BARTKO**, 56, of Berkeley Lake, Georgia, and **DARRYL LYNN LAWS**, 58, of La Jolla, California, with a criminal investment fraud scheme. The Indictment was issued by the Grand Jury on November 4, 2009, and unsealed today.

BARTKO and **LAWS** are charged with one count of conspiring to commit mail fraud, launder monetary instruments, engage in unlawful monetary transactions, make false statements, and obstruct proceedings of the United States Securities and Exchange Commission. The two defendants are also charged with three counts of mail fraud and two counts of false statements. Scott Bradley Hollenbeck is identified in the Indictment as an unindicted co-conspirator.

The Indictment alleges that, beginning in early 2004, **BARTKO** and **LAWS** participated in an interstate criminal scheme to profit from fraudulent sales of investments. **BARTKO**, a licensed attorney, held himself out as an investment banker operating through Capstone Partners, L.C. **LAWS**, who falsely purported to have a Ph.D. in finance, held himself out as an investment banker operating through Charlotte Square Capital Ventures. Numerous entities were formed and/or used in conducting the scheme, including "Franklin Asset LLC Fund I"; "Caledonian Partners LLC"; and "Capstone Private Equity Bridge & Mezzanine Fund, LLC."

The Indictment alleges that defendants **BARTKO** and **LAWS** used bank accounts controlled by **BARTKO** in Georgia to collect hundreds of thousands of dollars in proceeds from fraudulent sales of investments. The indictment alleges that nearly all of the money collected by **BARTKO** and **LAWS** as part of the scheme had been obtained by a single salesman, Hollenbeck. In making these sales, Hollenbeck used numerous materially false statements and omissions, including false promises to investors designed to conceal the true risk of the investment, such as "guarantees" of yearly earnings of at least 12%, and the promise that the investment was insured when it was not.

The Indictment also provides notice that the United States is seeking forfeiture of property from **BARTKO** and **LAWS**, including all property constituting or derived from fraud proceeds.

Investigation of the case was conducted by the United States Postal Inspection Service, the Federal Bureau of Investigation, and the Internal Revenue Service - Criminal Investigation. Assistant United States Attorney Clay C. Wheeler is in charge of the prosecution.

An indictment is only a charge and is not evidence of guilt. The

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defendants are entitled to a fair trial in which it will be the United States’ burden to prove guilt beyond a reasonable doubt. # # #

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